

# PROVIDER REIMBURSEMENT REVIEW BOARD HEARING DECISION

99-D55

**PROVIDER** - Northwest Medical Center  
Springdale, Arkansas

**DATE OF HEARING-**  
June 2, 1998

Provider No. 04-0022

**vs.**

Cost Reporting Period Ended -  
June 30, 1991

**INTERMEDIARY** -  
Blue Cross and Blue Shield  
Association/Blue Cross and Blue Shield  
of Arkansas

**CASE NO.** 94-2504

## INDEX

	Page No.
<b>Issue</b> .....	2
<b>Statement of the Case and Procedural History</b> .....	2
<b>Provider's Contentions</b> .....	3
<b>Intermediary's Contentions</b> .....	7
<b>Citation of Law, Regulations &amp; Program Instructions</b> .....	9
<b>Findings of Fact, Conclusions of Law and Discussion</b> .....	10
<b>Decision and Order</b> .....	13

ISSUE:

Were the Intermediary's adjustments disallowing the pass-through of nursing education costs proper?

STATEMENT OF THE CASE AND PROCEDURAL HISTORY:

The provider, Northwest Medical Center ("NWMC"), is an acute care, not-for-profit, community hospital located in Springdale, Arkansas.<sup>1</sup> On May 14, 1990, the Provider and Washington Regional Medical Center ("WRMC") entered into an agreement with Baptist Medical System, Inc. ("BMS") d/b/a Baptist Medical System School of Nursing ("BMSSN") to extend BMSSN's existing nursing education program to the northwest Arkansas region.<sup>2</sup> Except for a brief interruption in the early 1970s, BMSSN has operated a school of nursing in Little Rock, Arkansas since 1921.

Under the terms of the agreement, NWMC and WRMC agreed to provide an acceptable facility to BMSSN to accommodate the extended nursing school program. They also agreed to provide and maintain all equipment, furnishings, and other property reasonably required for the operation of the facility. In addition to being responsible for maintaining appropriate property and liability insurance, and providing the necessary clinical facilities, NWMC and WRMC also agreed to reimburse BMSSN for direct expenses that exceeded collections for tuition, fees and books on a quarterly basis. The quarterly reimbursement would be deemed tentative settlements until the completion of the yearly audit performed by BMS' independent auditors.

In return, BMSSN agreed to extend its registered nursing education program to the separate facility to be known as BMSSN - Northwest. With the exception of the buildings and equipment, BMSSN would have exclusive right to determine and make all fiscal, technical and professional policies, to include educational curriculum, and the recruitment, selection and termination of faculty, staff and students. The determination of the curriculum content, classroom instructions, and clinical laboratory instructions would be at the sole discretion of BMSSN, and all services furnished would be that of an independent contractor. NWMC and WRMC could neither have nor exercise any control over the professional judgement or methods used by BMSSN in the performance of services rendered under the agreement.

During the cost reporting period ended June 30, 1991, the Provider included \$198,409 in its cost report for nursing school expenses reimbursed to BMSSN. The claimed costs were included as a passed-through education expense item. The Intermediary reclassified the costs

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<sup>1</sup> The Provider was formerly known as Springdale Memorial Hospital.

<sup>2</sup> See Provider Exhibit P-2/Intermediary Exhibit I-1.

to a nonpass-through cost center allowing the claimed amount as operating costs for the Provider. The Provider appealed the Intermediary’s adjustments to the Provider Reimbursement Review Board (“Board”) and has met the jurisdictional requirements of 42 C.F.R. §§ 405.1835-.1841. The amount of Medicare reimbursemet in controversy is approximately \$89,000. The Provider was represented by Dan M. Peterson, Esquire, of Fulbright and Jaworski L.L.P. The Intermediary’s representative was Bernard M. Talbert, Esquire, of the Blue Cross and Blue Shield Association.

PROVIDER’S CONTENTIONS:

The Provider contends that the Intermediary’s reclassification of its approved educational costs as operating costs is inconsistent with Medicare regulations because the Provider meets the tests necessary to qualify for reimbursement of costs on a pass-through basis. The provisions of 42 C.F.R. § 412.113 provide for certain payments that are determined on a reasonable cost basis, rather than being included under the PPS DRG payments. The regulation at 42 C.F.R.

§ 412.113(b)(1) provides for the payment of approved education activites of nurses and paramedical health professionals as described in 42 C.F.R. § 413.85. In defining approved educational activites, the regulation states:

Approved educational activities means formally organized or planned programs of study usually engaged in by providers in order to enhance the qualify of patient care in an institution. These activites must be licensed if required by State law. If licensing is not required, the institution must receive approval from the recognized national professional organization for the particular activity.

42 C.F.R. § 413.85(b)

Thr Provider asserts that it met all of the elements established by the regulations, and that the Intermediary has not challenged that BMSSN - Northwest met these regulatory requirements. In support of its reclassification adjustments, the Intermediary relies on the provisions of 42 C.F.R. § 413.85(d)(6) which states in relevant part:

The costs of the following activities are not within the scope of this principle but are recognized as normal operating costs and are reimbursed in accordance with applicable principles:

\* \* \*

(6) Clinical training of students not enrolled in an approved education program operated by the provider . . . .

42 C.F.R. 413.85 (d) and (d)(6).

In essence, it is the Intermediary's position that BMSSN is not a provider, and that BMSSN alone was the operator of the nursing program at BMSSN-Northwest. Consequently, the Intermediary concludes that the nursing program was not "provider-operated," and that pass-through reimbursement is excluded by 42 C.F.R. § 413.85 (d)(6).

The Provider contends that both the Health Care Financing Administration ("HCFA") and the Intermediary admit that a program that is jointly operated by two or more providers can properly be reimbursed on a pass-through basis. In addition to correspondence from HCFA which recognizes jointly operated nursing programs,<sup>3</sup> the Provider also cites § 404.2 of the 1975 version of the Provider Reimbursement Manual ("HCFA" Pub. 15-1) which states:

It is not intended that Medicare should be responsible for expenditures by a provider in subsidizing such programs that are operated by other organizations. Under Medicare principles of reimbursement, an approved nursing . . . program must be operated by a provider (or jointly by a group of providers) for Medicare to recognize the cost of the program as allowable costs of the provider (s).

HCFA Pub. 15-1 § 404.2

The Provider contends that all three entities involved with BMSSN-Northwest are Medicare providers and therefore the nursing program is "provider operated." The Intermediary does not dispute that NWMC and WRMC are Medicare providers. Contrary to the Intermediary's contention, the Provider argues that BMS is also a Medicare provider. In addition to operating a nursing school, BMS holds Medicare provider numbers for the hospitals that it operates under one corporate entity. The nursing school is not a separate corporation or a subsidiary of BMS. Further, BMS is not a government entity, college, university, public school district, or similar educational entity, nor is it operated by any such entity. Accordingly, the corporation, BMS, is itself a Medicare provider that operates a school of nursing that is licensed by the Arkansas State Board of Nursing. The Provider asserts that BMS has been continuously reimbursed, both before and after January 1, 1991, as a provider-based nursing program. Although HCFA considered denying pass-through reimbursement to BMS, the action threatened in HCFA's correspondence (Intermediary Exhibit I-4) never went into effect. In the face of this evidence, the Provider asserts that the Intermediary has adduced no proof of facts in the record to show that BMS was not a Medicare provider.

The Provider further contends that, even if BMS were not considered to be a provider, NMWC is sufficiently "engaged in" operating the nursing program that it meets the tests for a

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<sup>3</sup> Provider Exhibits P-4 and P-13.

provider-operated program under case law and prior Board decisions. The Provider relies upon the St. John's Hickey Memorial Hospital, Inc. v. Califano, 599 F.2d 803 (7th Cir. 1979)(“St. John's Hickey”), for the proposition that a hospital seeking reimbursement need not be the “legal operator” of the educational program. St. John's Hickey rejected such a requirement, and looked directly to the requirements of 42 C.F.R. § 413.85. The educational program must be “approved”, and it must “contribute to the quality of patient care.” The Provider insists that these factors were established by the evidence, and the Intermediary has not contested them. St. John's Hickey also states that there must be no redistribution of costs from educational institutions to patient care institutions. In this regard, the Provider points to the fact that all of the institutions involved are providers rather than educational institutions such as colleges, university, school districts, or the like. There was also provision made for an annual audit and quarterly statements to ensure that each party bore its appropriate costs. Because the program was new, there were no pre-existing educational institution costs to redistribute, as confirmed by the example in HCFA Pub. 15-1 §404.2.

The Provider contends that NWMC was “engaged in” the operation of the nursing program by the following factors:

1. NWMC and WRMC are each responsible for the nursing program's additional operating expenses directly attributable to their facilities, net of tuition.
2. Under the Agreement, NWMC and WRMC were responsible to BMSSN - Northwest for the physical facilities, equipment, furnishings and the maintenance thereof.
3. The nursing staff of NWMC provided extensive training and supervision to the students, including acting as preceptors for the students, instructing the students in patient care functions, instructing them on how to chart, instructing them on lab interpretations and equipment use, and numerous other functions.
4. Student nurses were also permitted to observe the provision of specialized services at NWMC, such as operating room, radiology, and other services.
5. Further teaching was provided by NWMC through the interaction of students with the NWMC's medical staff.
6. When inservices are performed at NWMC, student nurses can participate and have full access to those inservices regardless of whether they are taught by NWMC nursing staff or by a physician.

7. NWMC also performed many administrative tasks, including coordination of the assignment of student nurses for clinical training at NWMC. The Director of Education of NWMC also acted as liaison between NWMC and BMSSN.
8. The staff of NWMC was also involved in the nursing program's accreditation process by furnishing input to the accreditation surveyors when the accrediting body came to examine the nursing programs.
9. NWMC also assisted in recruiting for the program.
10. NWMC provided loans to student nurses enrolled in the program. These loans were forgiven if the student nurse worked at NWMC after graduation.
11. NWMC also assisted in placement of students. Many of the graduating nurses go on either to NWMC or to WRMC for their employment after nursing school.
12. Some of the teaching faculty have been employed by NWMC as members of the nursing staff.
13. The nursing students and faculty had access to all portions of the hospital that are pertinent to their training and teaching.
14. Free parking was also provided by NWMC for both faculty and students of the school.
15. All instructors and students at BMSSN-Northwest, including instructors from BMSSN, are subject to NWMC's policies and procedures while on campus, specifically including policies and procedures relating to clinical practices, patient care, and safety.

In addition to St. John's Hickey, the Provider cites various other court and Board decisions which demonstrate that it is "engaged in" the nursing education program. Moreover, the factors present in the instant case showing its engagement in the operation of the nursing program are more numerous and extensive than those in the cases relied upon. The Provider also notes that "provider-operated" programs include both clinical and classroom portions of training costs, and that these costs are allowable under HCFA Pub. 15-1 § 404.2 without further conditions.

Even if BMSSN -Northwest were to be considered a "a non-provider operated" program, the Provider observes that clinical training is allowable without any conditions under HCFA Pub. 15-1 §404.2. The Provider notes that this manual was reissued with this provision intact in

1992 (Provider Exhibit P-7), despite the fact that PPS was begun in 1984. Classroom training costs are also allowable under HCFA Pub. 15-1 § 404.2 if three criteria are met. These are: (1) that there be no redistribution of non-provider costs to the provider; (2) that the provider be receiving a benefit; and (3) that the provider's support is less than it would be if the provider were to attempt to establish its own program separately. The Provider cites Example No. 1 from HCFA Pub. 15-1 § 404.2 to establish its eligibility. First, as in that example, there is no redistribution of costs because the program was new or the expansion of an existing program. The detailed provisions of the Agreement, including the requirements of an annual audit and quarterly reports, also prevents any redistribution. Moreover, at the hearing the Intermediary expressly stated that it does not contend that there has been redistribution in this case. (Tr. at 60). Second, the Provider is receiving a benefit because it obtains approximately 47 percent of the graduates of the nursing program (with most of the balance going to WRMC). ( Provider Exhibit P-34). Third, fewer costs are incurred than if the Provider had its own program. The Provider relies upon the declaration of its Vice President of Finance (Provider Exhibit P-10), as well as the fact that a full fledge nursing school could not be operated for \$198,000, the size of the audit adjustment in this case. HCFA itself has implicitly admitted that BMSSN-Northwest was less expensive than starting a new program. The Provider references Provider Exhibit P-13, in which a HCFA official stated that under the new regulations, at least, "if a hospital wants to receive pass-through payment for nursing and allied health education costs, it must establish a hospital operated program which may duplicate the cost of programs already existing at colleges and universities or, other provider-operated program."

The Provider alternatively argues that, to the extent that the Intermediary's reclassification is based on a retroactive application of the 1992 proposed rule, the Intermediary's and HCFA's position is invalid because it is based on a retroactive, non-final rule. In this regard, the Provider cites Bowen v. Georgetown University Hospital, 488 U.S. 204 (1988). Further, since the 1992 proposed rule has not become final, it cannot be enforced under the Administrative Procedure Act, 5 U.S.C. § 553, and the Medicare rulemaking statute at 42 U.S.C. § 1395hh. Relying on the provisions of 42 U.S.C. § 1395x(v)(1)(A), the Provider further argues that Medicare pays only for costs that are reasonable and necessary, and that the Secretary is required to exclude costs that are "unnecessary in the effective delivery of health services." Accordingly, requiring the hospital to set up a wasteful, duplicative program, as suggested in Provider Exhibit P-13, would be contrary to Medicare principles of reimbursement. Finally, for the particular cost year in question, the Provider argues that these amounts may not be disallowed or recouped due to prohibitions imposed by § 4004 of the Omnibus Budget Reconciliation Act of 1990 (Provider Exhibit P-23 ).

#### INTERMEDIARY'S CONTENTIONS:

The Intermediary contends that the Provider did not operate the nursing school and, therefore, the costs claimed on its cost report are not reimbursable as a pass-through education expense under the regulatory provisions of 42 C.F.R. § 412.113 and § 413.85. The nursing school was

owned and operated by BMSSN which is evident from the agreement among the three parties.<sup>4</sup> In support of its position, the Intermediary cites page 2 of the agreement which specifically states:

BMSSN shall have full and complete ownership of the school, as well as full and complete charge of the administration, management, and operation of BMSSN-Northwest. BMSSN shall also have the exclusive right to determine and make all fiscal, technical and professional policies relating thereto including, but not limited to, the educational curriculum and the recruitment, selection, and termination of faculty, staff, and students.

Id.

The pervasive responsibilities of BMSSN are further set forth on page 3 of the agreement wherein it was agreed that the “[c]urriculum content, classroom instructions, and clinical laboratory instruction shall be determined by BMSSN in its sole discretion.” The Intermediary argues that the structure of the agreement clearly demonstrates that BMSSN is the nursing school, and that BMSSN-Northwest is merely an extension of its nursing program to another sector of the state.

The Intermediary contends that neither the Provider nor WRMC incurred any direct costs of operating BMSSN-Northwest, and that these hospitals merely contracted for a service to be furnished by BMS, the owner and operator of the nursing school. This is made abundantly clear in the agreement which states that “BMSSN . . . has been requested . . . to extend its existing program to the Northwest Arkansas region” (emphasis added).<sup>5</sup> As further confirmation that the Provider recognizes that it is not the operator of the nursing school, the Intermediary refers to the Provider representative’s correspondence with HCFA, dated September 13, 1996.<sup>6</sup> In the letter to HCFA, the Provider’s representative requested a review of a proposal to change the status of the nursing school. Even though the proposal implied a reduced involvement by BMS, HCFA advised that it remained concerned about the role of BMS under the proposed arrangement.<sup>7</sup> Accordingly, HCFA remained reluctant to state whether the arrangement contemplated would allow the Provider and WRMC to meet the criteria for being considered a provider-operated program under 42 C.F.R. § 413.85.

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<sup>4</sup> Intermediary Exhibit I-1.

<sup>5</sup> Id.

<sup>6</sup> Intermediary Exhibit I-2.

<sup>7</sup> Intermediary Exhibit I-3.

As to the question of whether BMS is itself a provider, the Intermediary advises that this question was decided by HCFA in its letter of August 20, 1990 to the Intermediary.<sup>8</sup> In its letter, HCFA emphatically states that BMS is not a provider and, therefore, costs related to the nursing school that it operates do not qualify for reimbursement as pass-through costs, not even to the hospitals operated by BMS. Although several of the hospital provider's cost reports were reopened to change the method of reimbursement for the nursing school, the moratorium imposed by OBRA of 1990 eventually precluded those corrections and the recovery of related overpayments. However, HCFA's decision did prompt BMS to move the responsibility for operation of its nursing school to one of the hospitals operated by BMS. Because of this change, reimbursement of nursing school costs are recognized as pass-through costs for this hospital only.

As to the Provider's contention that the Intermediary has relied on HCFA policy which was not in effect for the cost reporting period under appeal, the Intermediary argues that the 1992 proposed rule<sup>9</sup> does not reflect new policy for provider-operated programs. The Intermediary contends that the proposed rule reaffirms the principle that costs of provider-operated programs are reimbursable on a pass-through basis, as stated on page 10 of the Provider's position paper.<sup>10</sup> This also concurs with HCFA's statement in an April 1997 letter to a United States Senator that the proposed rule clarifies existing policy that only provider-operated programs qualified for pass-through reimbursement.<sup>11</sup> The Intermediary advises that it has never disagreed with this point, nor does it disagree that a nursing school operated jointly by several providers could qualify for pass-through reimbursement. However, the Intermediary does not agree that the nursing school in question is operated by any provider, singly or jointly, and that its adjustments should be affirmed.

CITATION OF LAW, REGULATIONS, AND PROGRAM INSTRUCTIONS:

1. Law - United States Code ("U.S.C"):

5 U.S.C. Administrative Procedure Act:

§ 553 et seq.

- Rule Making

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<sup>8</sup> Intermediary Exhibit I-4.

<sup>9</sup> Provider Exhibit P-4 (Attachment).

<sup>10</sup> Intermediary Exhibit I-6.

<sup>11</sup> Intermediary Exhibit I-7.

42 U.S.C. Public Health and Welfare:

§ 1395x(v)(1)(A) - Reasonable Costs

§1395hh - Regulations

2. Regulations - 42 C.F.R.:

§§ 405.1835-.1841 - Board Jurisdiction

§ 412.113 - Other Payments

§ 412.113(b) - Direct Medical Education Costs

§ 413.85 - Cost of Education Activities

§ 413.85(b) - Definition-Approved Educational Activities

§ 413.85(d) et seq. - Activities Not Within the Scope of this Principle

3. Program Instructions - Provider Reimbursement Manual, Part I (HCFA Pub. 15-1):

§ 404.2 - Costs of Approved Nursing and Paramedical Education Programs

4. Cases:

St. John's Hickey Memorial Hospital, Inc. v. Califano, 599 F.2d 803 (7th Cir. 1979).

Bowen v. Georgetown University Hospital, 488 U.S. 204 (1988).

Barberton Citizens Hospital v. Blue Cross and Blue Shield Association/Community Mutual Insurance Company, PRRB Dec No. 94-D61, July 28, 1994, HCFA Admin. Decl. Rev., Medicare and Medicaid Guide (CCH) ¶ 33,658.

St. Mary's Medical Center v. Blue Cross and Blue Shield Association/Blue Cross and Blue Shield of Minnesota, PRRB Dec. No. 97-D82, July 15, 1997, HCFA Admin. Decl. Rev., Medicare and Medicaid Guide (CCH) ¶ 45, 503.

5. Other:

Omnibus Budget Reconciliation Act of 1990, § 4004

FINDINGS OF FACT, CONCLUSIONS OF LAW AND DISCUSSION:

The Board, after consideration of the facts, parties' contentions, evidence presented and post-hearing submissions, finds and concludes that the Provider appropriately included the net direct costs associated with the nursing education program of BMSSN-Northwest as a pass-through medical education cost under PPS consistent with the existing Medicare regulations. The regulation at 42 C.F.R. § 412.113(b)(1) specifically allows for the payment on a pass-through basis of medical education costs for approved education activities of nurses and paramedical health professionals as described in 42 C.F.R. § 413.85. The regulations at 42 C.F.R. § 413.85 set forth the applicable principles for reimbursing the reasonable costs of educational activities under the Medicare program, and explicitly define the types of approved educational activities that are within the scope of these reimbursement principles. The Board interprets the prerequisite established under 42 C.F.R. § 412.113(b)(1) to mean that, if a provider can substantiate that its medical education activities meet the conditions set forth in 42 C.F.R. § 413.85, then the costs associated with such activities will systematically flow through the Medicare program's reimbursement process as an allowed PPS pass-through cost.

Based on its examination of the facts and evidence presented in this case, the Board concludes that the Provider has an appropriate and approved nursing education program as defined by 42 C.F.R. § 413.85(b) and (c). It is undisputed that BMSSN-Northwest is a formally organized or planned program of study that is usually engaged in by providers in order to enhance the quality of patient care in an institution within the meaning of 42 C.F.R. § 413.85(b). Further the nursing program is licensed under Arkansas law for the purpose of preparing nurses to practice professional nursing in accordance with accepted quality standards. In addition, the community has not undertaken to bear these costs of nursing education as set forth in 42 C.F.R. § 413.85(c).

The Board notes that the Intermediary's primary position in this case is that the Provider did not meet the requirement of 42 C.F.R. § 413.85(d)(6), i.e., that the provider must operate the approved education program. The Intermediary takes this position based on its contention that BMS/BMSSN is not a provider, and that BMSSN, and not the Provider, operates the nursing program at BMSSN-Northwest. The Board rejects both of these contentions. As a not-for-profit corporation that directly owns and leases hospital facilities that participate in the Medicare program, BMS is clearly a Medicare provider which holds Medicare provider numbers.<sup>12</sup> Since there is no separate corporation for BMSSN, and BMS holds the nursing school license from the Arkansas State Board of Nursing, the Board finds that BMSSN is a "provider-operated" nursing program for purposes of this case. The Intermediary has

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See Provider Exhibit P-8.

presented no evidence to dispute the corporate organizational structure of BMS as presented by the Provider. Moreover, the Intermediary does not disavow that, before, during, and after the cost reporting period at issue in this case, the costs associated with the nursing program at BMSSN were continuously reimbursed by the Medicare program on a pass-through basis as a provider-operated medical education program.

Based on the substantial facts and evidence in this case, the Board further finds that the Provider was engaged in the joint operation of BMSSN-Northwest, and that its significant participation in the nursing education program was in accord with the governing provisions of 42 C.F.R. § 413.85. Among the numerous factors which demonstrate the Provider's participation in the nursing program, the Board finds the Provider's involvement in the following elements to be significantly noteworthy:

- (1) The Provider's nursing staff provided extensive training and supervision to the students, including acting as preceptors, instructing in patient care functions and charting, lab interpretation and equipment use.
- (2) The teaching function was enhanced by allowing the students to interact with the Provider's medical staff.
- (3) The Provider's Director of Education also acted as liaison between the Provider and BMSSN, and
- (4) All instructors and students at BMSSN-Northwest were subject to the Provider's policies and procedures while on campus, which specifically included those relating to clinical practices, patient care and safety.

The Board believes that the success of the nursing program at BMSSN-Northwest was vitally dependent on the Provider's participation. While BMSSN had primary responsibility for the administration and management of the nursing program, the Provider, together with WRMC, played a major role in meeting the training requirements of the students. Given the universal and collective necessity for both classroom instruction and clinical training, the dependency of BMSSN and the Provider on each other's participation clearly demonstrate that they are the joint operators of the nursing program at BMSSN-Northwest. The Board further notes that both the Intermediary and HCFA agree that an education program may be "provider-operated" even though more than one provider participates in the program.

It is the Board's conclusion that the above uncontroverted facts, as well as other facts in the record, clearly demonstrate that the Provider did operate, to a significant extent, the nursing education program at BMSSN-Northwest. This opinion is consistent with the logic presented in the Circuit Court's decision in the St. John's Hickey case, wherein the Court found that the joint operation of a nursing program by a provider and university satisfied the regulatory operational requirement. In addition, the Board's ruling in this case is in accord with prior

Board decisions on this issue under facts substantially similar to those found here.<sup>13</sup> With the approved programs recognized as an allowable cost, the mechanical process set forth in 42 C.F.R. § 412.113 allows for the reimbursement of approved medical education activities as pass-through costs.

The issue of whether OBRA 1990 applies to this case is moot since the Medicare regulations existing during the subject cost reporting period specifically allow for the Provider's nursing and allied health education programs to be reimbursed on a pass-through cost basis.

#### DECISION AND ORDER:

The Intermediary's adjustments disallowing the pass-through of nursing education costs were improper and are reversed. The Provider properly claimed the nursing education costs as Medicare pass-through costs under PPS.

#### Board Members Participating:

Irvin W. Kues  
James G. Sleep  
Henry C. Wessman, Esquire  
Martin W. Hoover, Jr., Esquire  
Charles R. Barker

**Date of Decision:** June 30, 1999

#### FOR THE BOARD

Irvin W. Kues  
Chairman

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<sup>13</sup> Barberton Citizens Hospital v. Blue Cross and Blue Shield Association/Community Mutual Insurance Company, PRRB Dec. No. 94-D61, July 28, 1994, HCFA Admin. Decl. Rev., Medicare and Medicaid Guide (CCH) ¶ 33, 658.  
St. Mary's Medical Center v. Blue Cross and Blue Shield Association/Blue Cross and Blue Shield of Minnesota, PRRB Dec. No. 97-D82, July 15, 1997, HCFA Admin. Decl. Rev., Medicare and Medicaid Guide (CCH) ¶ 45, 503.